

MEDIA RELEASE

M-DAQ acquires Wallex to expand its cross-border ecosystem

Singapore, 22 February, 2022 – M-DAQ, a leading Singapore-based fintech company today entered into a definitive agreement to acquire Wallex, a B2B cross-border payments provider with licenses in Hong Kong, Indonesia, and Singapore. The acquisition is the first of a series for M-DAQ, as it embarks on a global growth plan to capture market opportunities and expand its downstream reach in the value chain.

In addition to the amount paid for the full acquisition, M-DAQ will also be injecting fresh working capital to accelerate the Wallex business. The combined entity is expected to process in the excess of S\$15 billion (US\$11 billion) of Gross Transaction Value (GTV) this year.

Wallex will continue as an independently operated business and brand, with Hiro Kiga, Co-Founder and COO, appointed as the new CEO.

Supporting synergies to scale

Wallex facilitates B2B cross-border payments for businesses in Indonesia, Greater China, and Singapore by offering seamless, up-to-speed transactions with competitive exchange rates and fees into more than 180 countries. Businesses can benefit from advanced multi-currency solutions to collect payments via virtual accounts and hold funds in a digital wallet.

With customisable APIs, Wallex also supports leading fintechs in Asia to innovate and scale their businesses by leveraging Wallex's infrastructure to build cross-border offerings tailored to their customer needs.

Despite the challenges with Covid-19, Wallex registered 5.5x growth in its annualised revenue over the past year. The Wallex platform supports nearly 2,000 banking and technology clients, processing almost S\$4 billion in GTV annually.

The acquisition provides synergy to both. Through Wallex, M-DAQ clients can utilise versatile electronic tools for funds transfers through its existing currency corridors, further improving reporting accuracy and regulatory reporting requirements. Wallex customers can enhance their FX experience through the M-DAQ proprietary solution, Aladdin, that can provide guaranteed FX rates and achieve more competitive pricing through the aggregation and algorithmic capabilities that M-DAQ offers.

Richard Koh, Founder and Group CEO, M-DAQ, says, "Investing in businesses with strong growth potential is one of our core strategies, as we expand our ecosystem. We are excited to welcome Wallex into the M-DAQ Group to strengthen our footprint in the payments space by reaching a wider range of SMEs and their customers as we look to provide additional value and cost reductions to their businesses. Both organisations will continue with their aggressive hiring to scale further."

“M-DAQ is also investing in building an ecosystem that complements the core FX business. In this instance, M-DAQ will be the upstream FX provider to supply Wallex with the necessary liquidity it needs to run its core payments business. This B2B2b2C business model is an ecosystem of businesses that complements each other, reduces duplication, increases efficiency, and ultimately reduces transaction costs for the end clients, as economies of scale are materialised,” adds Mr. Koh.

Wallex’s co-founder and CEO Hiro Kiga says, “At Wallex, we have always strived to deliver the most cost-efficient, fast, and secure payment solutions for global businesses. The combination of Wallex’s network and M-DAQ’s fintech expertise will enable us to deliver greater value to empower businesses across borders. We look forward to achieving our goals together, by creating new opportunities that leverage the strengths of each platform.”

Understanding global money movements with M-DAQ’s Aladdin solution

Cross-border payments have seen significant growth due to rising demand from businesses of all sizes to engage in international trade. With a six-year track record of providing price certainty, M-DAQ’s flagship FX solution Aladdin, has cleared close to S\$30 billion cross-border transactions. The solution currently empowers two of the largest internet ecosystems in China. Aladdin enables customers on eCommerce platforms to shop in their home currency while allowing merchants to receive payment in their preferred currency and creating a new risk-free revenue stream for platform operators.

The transaction is subject to customary closing conditions and regulatory approvals.

Ends

About M-DAQ

M-DAQ empowers businesses in various industries to facilitate cross-border transactions with its best-in-class FX solutions. The home-grown, Singapore-based company has embarked on a global growth plan to capture market opportunities and to create a new fintech ecosystem, focused on providing specialised technology-enabled financial services to enterprise customers and other downstream fintechs.

Founded in 2010, with a vision to create a World without Currency Borders®, the company achieved net profitability in 2018. Leading Asian private equity firm Affinity Equity Partners invested S\$200 million in M-DAQ’s Series D round. Other international strategic and financial investors have included Ant Group, EDBI, NTT Communications, Samsung, and Kiwoom.

Since 2016, M-DAQ’s Aladdin FX solution has processed nearly S\$30 billion in cross-border transactions covering 45 markets globally and supported by two-thirds of the world’s foreign exchange liquidity, enabling eCommerce ecosystems such as AliExpress, Tmall, and JD.com.

Learn about how M-DAQ is transforming a World without Currency Borders® at www.m-daq.com. Follow them on www.linkedin.com/company/m-daq to keep up with their growth stories.

About Wallex

Founded by Jody Ong and Hiro Kiga in 2016, Wallex is a leading B2B FX and cross-border payment platform in Asia catering to SMEs and Fintechs in the region. Using the robust online platform, customers can convert and pay in 46 currencies, collect payments via virtual accounts, and hold funds

in a wallet through the Wallex Global Business Account. Customers benefit from access to fast, seamless transactions with competitive exchange rates and fees, so they can take their money further.

With a team of 100+ employees backed by deep domain expertise; Wallex has been helping hyper-growth companies like Coda Payments, StyleTheory, Janio, Investree, and thousands of businesses to go global effortlessly with their low-cost, secure and quick payment solutions.

Wallex is regulated by the Monetary Authority of Singapore (MAS) as a Major Payment Institution under license no. PS20200433, by Bank Indonesia (BI) under license no 20/235/DKSP/83, and by the Hong Kong Customs and Excise Department under license no. 19-12-02935.

Learn about how Wallex takes the friction out of moving funds across borders at www.wallex.asia. Follow them on www.linkedin.com/company/wallex to stay up to date with their story.

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